



FOREIGN POLICY bulletin

AN ANALYSIS OF CURRENT INTERNATIONAL EVENTS

VOLUME 37 NUMBER 3

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Nationalism: Is It Good or Bad?

by Hans Kohn

In the 19th century nationalism was the principal force shaping the history and inflaming the emotions of the European peoples. Perhaps nationalism has spent some of its intensity in the holocausts of the two great 20th-century wars into which it plunged the European continent. In the 20th century nationalism has spread to Asia, the Middle East and Africa, where it is playing a role similar to the one it played a few decades ago among the European peoples. It was these peoples, after all, who carried the gospel of nationalism in the late 19th and early 20th centuries to Asia and Africa as part of the impact of contemporary civilization. Thus nationalism has now become a world-wide phenomenon which holds sway over the minds of men everywhere.

In the presence of a force of such magnitude and such historical authenticity, it is impossible to ask whether it is "good" or "bad." Like all similar phenomena it has its good and bad aspects. By its very nature nationalism is complex. It is a product of history and is modified by historical experiences and by the climate of the period. It varies from country to country, from period to period, and even within one and the same nation oppos-

ing trends can be found at the same time.

Nor can final judgment be passed on nationalism. In 1800 the Germans seemed, on the whole, a cosmopolitan, peaceful people of thinkers and poets. Yet 100 years later they were the exponents of a self-centered, militant nationalism, and they succumbed more, and more to its intoxication. Today, for the most part, the Germans are thoroughly sobered and have, at least for the time being, turned away from that fascination with past grandeur which is generally at the root of aggressive nationalism.

At its origins nationalism had many good aspects. It brought to populations which had been lethargic throughout history a new dynamism, the first understanding of their right to human dignity, to greater equality of opportunity, to a share in the administration of their affairs—in short, to the realization of those ideals of liberty which were first voiced and represented by the English, the Anglo-American and the French revolutions in the 17th and 18th centuries. These revolutions marked the Age of Enlightenment, of individual liberty, of the right of man and citizen against authority, of tolerance and of respect

OCTOBER 15, 1957

FOREIGN POLICY ASSOCIATION INCORPORATED
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for diversity. Nationalism of this kind is still to be found today dominant in the English-speaking countries and in some countries of Western Europe.

In other countries, however, nationalism changed its aspect, particularly where it emerged at a later period, long after the end of the Age of Enlightenment, in a mental and moral climate which stressed group power more than individual rights, violence more than accommodation, and where it rekindled memories of the past rather than stimulated the pursuit of happiness of the present generation. Then nationalism became more exclusive, self-centered, distrustful of all other peoples. It easily succumbed to the temptation of ascribing all the woes of existence to national enemies.

New Nation-States

Nevertheless, even at present, nationalism among the masses of the newly awakened peoples in Asia and Africa represents something of the liberating and exhilarating experience which it had in the North Atlantic area in the 18th century. This element is the real strength of nationalism in the "backward" countries, countries which awakened to modern civilization only in the 20th century. It fills the masses in India, in Egypt, in Africa, for the first time with the consciousness of their strength, of the coming of a new and better future.

Naturally the non-Western peoples underestimate the difficulties that stand in the way of attaining these

legitimate goals — difficulties which stem not so much from domestic or foreign ruling groups, but are rooted in the age-old traditions and social structure of the new nations themselves. Their awakening to the potentialities of a new age offered by modern Western civilization was too sudden, especially where wise statesmanship did not provide opportunities for evolutionary transition as Britain had done in India. Hence the masses outside the North Atlantic area show a tendency to impatience, to violence, to Utopian hopes and to resentments over past wrongs, which are often seen in a distorted historical perspective.

U. S. Responsibility

These are bad elements in contemporary nationalism, and they are to be found particularly among peoples which have achieved their nation-states in the wake of the first or second World War. But with all its grievous shortcomings, nationalism, which is losing much of its intensity among the older or more highly developed members of the growing world community of modern nations, is a force irresistibly gaining in impact and power among the less-developed peoples of Asia, Africa and Latin America. Today a policy of outright opposition to nationalism, such as the French are attempting to pursue in Algeria, can only call forth and strengthen the bad aspects of nationalism and weaken the moral leadership of the advanced countries.

By its history and geographic posi-

tion the United States, much against its will, had to assume a responsibility for the fate of Western civilization. For that reason the moral standing of the West in the eyes of the world is very much the concern of the United States. Only if the West understands that today in Africa as in Asia the continuance of foreign settlements requires the voluntary cooperation of the local peoples can the West claim to set a constructive example. This example is needed if nationalist emotions are to be channeled toward moderation and humanitarian concern for the rights-and-dignity-of-others, without which nationalism destroys the moral fiber and cultural values of nationalist peoples and of the world.

In another respect, too, the United States can set an example. Among the new nation-states none are more dangerous for international morality and international peace than those which identify themselves solely with one ethnic group, one religion or one racial tradition. By contrast new states of multiethnic and multireligious character, which recognize the fullest equality of all the various elements in the population, contribute toward the tolerance and feeling for human brotherhood needed to achieve civilization and peace. Without these qualities nationalism easily becomes "bad" for a nation and for the rest of the world.

Dr. Kohn is professor of history at the City College of New York. Among his recent books, *Nationalism: Its Meaning and History* (Van Nostrand, 1955) and *American Nationalism: An Interpretative Essay* (Macmillan, 1957) are pertinent to the subject discussed in this article.

Published twice a month by the FOREIGN POLICY ASSOCIATION, INC., 345 East 46th Street, New York 17, N.Y., U.S.A. EDITORIAL ADVISORY COMMITTEE: JOHN S. BADEAU • BENJAMIN J. BUTTENWIESER • HENRY STEELE COMMAGER • BROOKS EMENY • AUGUST HECKSCHER • MRS. W. HOUSTON KENYON, JR. • MARGARET PARTON • STEPHEN H. STACKPOLE • ANNA LORD STRAUSS. JOHN W. NASON, *President*; VERA MICHELES DEAN, *Editor*; NEAL STANFORD, *Washington Contributor*; FELICE SOLOMON, *Assistant Editor*. • *The Foreign Policy Association contributes to the public understanding by presenting a cross-section of views on world affairs. The Association as an organization takes no position on international issues. Any opinions expressed in its publications are those of the authors.* • Subscription Rates: \$4.00 a year; single copies 20 cents. RE-ENTERED AS SECOND-CLASS MATTER SEPTEMBER 26, 1951 AT THE POST OFFICE AT NEW YORK, N.Y., UNDER THE ACT OF MARCH 3, 1879. Please allow one month for change of address. Contents of this BULLETIN may be reproduced with credit to the Foreign Policy Association.



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Russia's Psychological Missile

There is some doubt that Russia's recently tested ICBM hit the target area. But there is little doubt as to just what its real target was. Militarily its target was a spot 5,000 miles away from its Siberian firing site, somewhere near Vladivostok or in the Arctic wastes. But psychologically its target was Washington (5,000 miles off in quite another direction), or London, Paris, Rome, New Delhi, Jakarta — any free-world capital or neutral country. For Moscow fired that ICBM not just to see how accurate such an "ultimate weapon" could be, but to find out how "dirty" the global fallout from such a psychological bomb would be. It proved plenty "dirty."

President Eisenhower doubts that militarily Russia's ICBM is anything to get excited about. There is a big difference, he asserted quite accurately on September 4, between firing one test instrument and getting that instrument in sufficient numbers and with sufficient reliability to be worthwhile tactically. There is no doubt, however, but that he, as well as Secretaries John Foster Dulles and Charles E. Wilson, is concerned over the psychological success of this first firing of an ICBM by any country.

Technical Success for Moscow

It is true that militarily it is going to take a long time to perfect an experimental ICBM. Its tactical value is years off. But psychologically it is of immediate and portentous value—and the U.S.S.R. knows it and the White House knows it. Militarily the Russians scored a beat with this trial firing of an ICBM, but psychologically they scored a major coup by demonstrating that they can beat the

United States at its own specialty—research and production. It will take the United States a long time, if ever, to regain the prestige and reputation for excellence and superiority in weapons development that it had before the Kremlin's ICBM announcement.

Impact on Foreign Aid

But every cloud has its silver lining, and even the clouds of "dirty" psychological fallout from this Soviet ICBM have their silver side. On the one hand, it is true, neutrals throughout the world, and even our allies, may have second thoughts about affiliating themselves too closely or completely with the United States now that the U.S.S.R. has shot off the world's first "ultimate weapon." Their hearts may belong to Uncle Sam, but their heads tell them to play it safe and not be caught in America's camp when the ICBM's begin to fall. However, the very fact that Moscow now has an ICBM and the United States has not makes us more than ever interested and determined to hold on to our allies and friends — with their foreign bases from which ICBM's can be launched and from which jet bombers loaded with H-bomb warheads can cover Russia.

Thus, Americans who have been increasingly doubtful about the value of foreign aid and military ties can now be expected to show a sudden passion for closer ties and greater aid. If Washington absolutely needs foreign bases to counterbalance Soviet possession of an ICBM, then the United States is going to pay for them, even if not with a smile.

Moscow's ICBM may increase the

hesitation of neutrals, even allies, to bind themselves to the United States in defense measures; but it cannot but step up Washington's determination to acquire foreign-base rights, whatever the cost. Foreign aid, which has had a tougher and tougher time each year getting through Congress, should now find the opposition weakening. No American in his right mind, whatever he thinks of foreign aid and foreign allies, is going to ditch them if they are vital to United States security. He is in fact going to hold on to them for dear life and let the cost go hang.

But if foreign aid gets a booster shot out of this Soviet ICBM announcement, so also does America's own missile program. True, President Eisenhower has said that it already has "top priority"—but Senator Stuart Symington, Democrat of Missouri, an ex-Secretary of the Air Force, says "nonsense" to this statement. In the past Congress has pretty well accepted the President's views on military matters and national security as gospel; but the Soviet ICBM has cracked that congressional complacency. If Congress were in session now we would be hearing a lot of angry words about Administration missile mismanagement. These words will come up, however—in January when Congress reconvenes—if the White House does not speed up the missile program. Meanwhile, the ranks of Symington's supporters are growing and getting more vocal and insistent. Moscow's ICBM may have fallen wide of the target area in Siberia, but it hit the bull's-eye in Washington.

NEAL STANFORD



Should U.S. Give More Aid to India?

by Norman D. Palmer

Dr. Palmer, professor of political science and former chairman of the department of political science at the University of Pennsylvania, has visited India many times and observed the second general elections there in February-March 1957. Author of many articles and books, he has just completed chapters on India for *Major Governments in Asia* (Cornell University Press, 1958).

THE issue of the desirability or undesirability of aid to India raises fundamental questions regarding the assumptions underlying the foreign assistance program of the United States.

If the test is willingness of the recipient country to join in the mutual defense of the free world, then India clearly does not qualify for aid. If the test is willingness and ability to move forward in the direction of political cohesion, economic progress and social improvement, then India is particularly well qualified to receive American assistance.

Independence Main Test

Although there is a widespread feeling in the United States that the readiness of an underdeveloped country to participate in mutual security arrangements should be a factor in determining the amount and character of the aid extended to it, there seems to be a growing acceptance of the fact that other criteria are of more basic importance. The main test has been stated by Secretary of State John Foster Dulles, as follows: "Our interests will be fully served if other nations maintain their independence and strengthen their free institutions. We have no further aims than these."

If aid to India is in our national interest, what can be said about the proper amount of that aid in the light of Indian needs and United States capabilities and policies? There is room for considerable debate on this question, but there are grounds for believing that the present levels are inadequate. There is no debate,

however, about the character of the aid, since India will accept only technical assistance and aid for economic development.

Amount of U.S. Aid

During the period of India's first Five-Year Plan (1951-56) American assistance to India amounted to approximately \$300 million. This was supplemented by the wheat loan of \$190 million and by the American share of loans to India by the World Bank (about \$40 million). At the present time United States assistance to India totals something like \$70 million a year—\$60 million, mostly in loans, for economic development, and grants of \$10 million for technical assistance. Early in 1957 the United States entered into an agreement with India by which it will deliver about \$300 million of wheat and other agricultural products under the surplus food program within the next three years. Including freight charges this represents a commitment of nearly \$360 million. Of this amount \$234 million will be covered by a long-term loan, \$54 million will be in the form of grants and the remaining \$72 million will be spent by the United States in India.

If the United States continues the present levels of aid, it will provide India with about \$350 million of economic development and technical assistance during the period of the second Five-Year Plan (1956-61), which calls for an expenditure of more than twice (and possibly more than three times) the amount expended under the first Five-Year Plan. The second plan is overly ambitious in terms of

available resources—it envisages a gap of \$800 million or more above all domestic and foreign sources of funds that could be reasonably anticipated—but it is modest in terms of India's needs. It has already been curtailed as a result of internal inflation, foreign exchange difficulties and other factors, and is now in a critical stage.

Fundamentally India's economic position is probably sound, but the country faces serious financial difficulties in the immediate future. Last May the finance minister, T. T. Krishnamachari, presented an austerity budget to the Indian Parliament, which he described as a "formidable bill of fare" but "the least that could be done to save the plan." According to a July report of the Guaranty Trust Company of New York, "India's ability to cling to the plan, without a long-period economic crisis precipitated by inflation and depletion of foreign exchange, depends on whether the country can attract a very substantial increase in the flow of foreign capital and credits."

In late July 1957 Mr. Krishnamachari announced in the Indian Parliament that "future planning will be motivated by realism," and he stated bluntly, "Make no mistake: we need large amounts of foreign aid to save even the core." On September 7 Mr. Nehru told a *New York Times* correspondent that India would like to have a long-term loan from the United States of between \$500 million and \$600 million, to be made available over the next three years. This

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This lead editorial appeared in the *Wall Street Journal* on September 16, 1957, and is reprinted here by permission of that newspaper.

One of the least attractive features of United States foreign aid is that it goes to governments. It helps them build not only "public works" like dams and roads but also engage in business activities which are the normal sphere of private enterprise.

Thus, ironically enough, scores of billions of dollars earned by Americans in a free economy have been busily subsidizing the spread of socialism, particularly in so-called "underdeveloped" lands.

Now this question is causing a sizable blow up within the government. On September 12 the International Cooperation Administration announced a policy change. It said it will still permit aid to be used for public works, but it will attempt to guarantee that aid for industrial and mining projects is used by private firms, not governments, in the recipient countries.

So far so good. But on September 15 it was reported that the State Department people are furious at the ICA's action. They say that regardless of the ICA directive, United States policy in this matter is completely unchanged. Since the State Department issued no formal statement, it is anybody's guess what the policy actually is.

But it is perfectly plain that the old insidious school of "private enterprise can not do the job" still has fervent and powerful adherents in Republican Washington. Indeed, it was only after 18 months of argument that the ICA was able to announce the policy change which the State Department is now said to have repudiated.

An important clue to what the policy is may develop this month. India's finance minister plans to sound out the United States on a new loan of \$500 million or \$600 million or more. The background is an almost classic case-history of the consequences of aiding socialism.

The Indian government, it seems, is finding itself in fresh economic difficulties. If the big American loan is not forthcoming, it is suggested, the second Five-Year Plan may have to be cut drastically. In that event the country may be pushed into even more of a managed economy than it now has, with further losses of political freedom.

Troubles of Socialism

Yet the curious thing is that the Indian government has already received hundreds of millions of dollars worth of American loans and grants and is still getting such aid at the rate of about \$60 million a year. It evidently has not accomplished much, since the symptom of India's present trouble is a sharp drop in foreign exchange reserves.

A huge new United States loan, then, could hardly solve anything. But it would be directly contrary to the ICA's announced policy change. For India's difficulties stem from overambitious state planning in a "mixed" economy based on socialism. When the second Five-Year Plan was unveiled, economists noted that it was full of inflationary potential and was generally unrealistic.

That is the kind of drain down which American dollars can be poured endlessly without ever im-

proving the standard of living of the Indian people. It is not pleasant to conjecture how much actual harm has been done, in India and elsewhere, by America's tremendous investment in the exploded economics of socialism.

Whatever the present policy may be, we hope the government will have sense enough to turn down the request of India or any similar request. But the only way to make sure that dollars no longer buttress socialism is to bring to a halt the whole program of indiscriminate and unthinking handouts.

Palmer

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would involve a twofold to threefold increase in United States aid to India. Mr. Krishnamachari has just visited this country to explore the prospects of the proposed loan, or at least of increased American assistance during this critical stage in India's economic development program.

Any American taxpayer will appreciate the reminder in the report of the United States Senate Special Committee to Study the Foreign Aid Program of May 13, 1957, which states that "foreign aid is not an end in itself but is an instrument of national policy. The objective of our aid policy is to help create conditions in the world which will permit the termination of foreign aid programs." Unfortunately there is little likelihood that even the minimal world condition to which the Senate Committee refers will be created in the foreseeable future. Nor is there assurance that any amount of American aid will make a decisive contribution to this goal. In any event foreign aid is not the only way to help achieve tolerable conditions in the world; it is not even the most desirable way. To the

extent that it is a substitute for more constructive economic policies, or a kind of sop to the American conscience for the failure to pursue such

policies, it may act as a soporific instead of as a stimulant. These reservations apply to such aid as the United States may give India as well

as other countries, but they do not diminish the reasons which make increased aid to India a matter of "interwoven self-interest for us."



FOREIGN POLICY SPOTLIGHT

India's Economy: Dead End or Breakthrough?

NEW DELHI—No sooner had India successfully completed its first Five-Year Plan (1951-56) than it found itself confronted last spring with the prospect that lack of funds—and particularly of foreign exchange—might force curtailment or "rephrasing" of its second Five-Year Plan (1956-61).

Since this second plan was designed to carry India forward along the road toward industrialization on foundations laid by the first plan through the development of agriculture, irrigation and transportation, the government must now ponder a grave question. Will the substantial and impressive economic efforts it has made in the decade since independence reach a dead end? Or will this nation, which is trying to modernize its backward economy by democratic, voluntary methods, in contrast to Russia and China, stage a breakthrough to success by 1961?

Plan Modest —

It is frankly admitted here that the prospect of a breakthrough depends on the possibility of obtaining from the United States, the only nation with sufficient capital at its command, a long-term loan of from \$500 million to \$1 billion. Thus India's question calls for an American answer. And that answer, in turn, will profoundly affect the future role of the United States in Asia—and perhaps in the rest of the underdeveloped world.

The first reaction of some critics, both in India and abroad, on hearing about the difficulties of the second

Five-Year Plan is that the Indian leaders must have been overambitious when they formulated it. The truth, however—and it is a sad truth for the Indians—is that the plan is modest in scope. Even if it is fulfilled, it is estimated here that by 1961 India will have increased the average per capita income from \$59 to only \$69—which is hardly a luxurious figure when compared to \$300 in the U.S.S.R. and \$1,500 in the United States—and will have raised the rate of investment from 7 to 11 percent of the total national income as compared with an average of 16 to 20 percent in Japan between 1913 and 1939 and of 15 to 20 percent in the U.S.S.R.

A Swedish expert has figured out that the general scale of financing in India, with its 360 million people, 70 percent of whom still live in medieval villages, is approximately that of highly industrialized Sweden with a population of 7 million. Thus it could be argued that far from being overambitious, the second Five-Year Plan is exceptionally modest, given the country's continuing population growth (which may bring the number up to 408 million by 1961 and to nearly 500 million by 1975-76), the people's unfilled basic needs and the extent to which the primarily agricultural economy must be modernized before industry can function effectively.

— But Strenuous

Why, then, has India run into difficulties in carrying out the second

plan? Basically, as Finance Minister T. T. Krishnamachari, a businessman by background, put it in Parliament on August 23, "the present 'crisis'—if that term is to be used—is a crisis of development; it is not a crisis of stagnation or of confidence." If India is to build up its economy for future expansion, it must spend money, and some of the money required must be foreign currency for the purchase abroad of capital goods India cannot produce itself. Once these purchases have been made and utilized by the economy, then India will have achieved sufficient momentum to continue developing with less stress and strain. The next five or ten years are therefore crucial and call for maximum effort at home and maximum aid that can be given India from abroad.

As to whether or not the government has followed the right course so far, there is a variety of views, depending on those with whom you are talking. Critics say that the government, unduly heartened by the improvement of the food output under the first plan (which was due in large part to favorable weather conditions), allowed itself to become complacent and approached the much tougher tasks of the second plan, with its emphasis on industrialization, in a state of dangerous euphoria.

Most important, the critics go on, the government failed to do the essential thing about planning — and that is, to plan adequately. In particular, it failed to take into account

the difficulties of calculating agricultural output, which is entirely in the hands of the private sector. Nor did it keep a sufficiently firm watch on the issuance of import licenses, with the result, it is argued, that a portion of foreign exchange was frittered away on the import of consumer goods instead of being husbanded for the payment of capital goods purchases. In short, say the critics (some of whom regard planning as anathema), the government did not plan enough.

Industrial Growing Pains

"In reply government spokesmen as well as some private observers contend that India is faced, not with insuperable problems, but with the natural growing pains of an underdeveloped land which is trying, in a short period of time, to change over from a feudal agrarian society to a modern industrial economy—a process which in Western Europe was spread over several centuries. India, moreover, must accomplish this task at a time in history when foreign capital resources are scarce, and such resources as do exist—in the United States, and to a much lesser degree in Britain—are being sought by a long line of countries which share India's dilemma.

Nor has India's economy developed to the point where it can count on its exports, which for the most part consist of raw materials and light industry products, to provide sufficient foreign exchange to close the gap between its domestic sources of capital and the expenditures on machinery, steel and so on required by the second plan. To make matters worse, the inflation that is affecting a number of India's suppliers in Europe has raised the cost of essential commodities, and efforts to obtain deferred-payment arrangements, notably in Britain and West Germany, even when successful, only add to

the over-all expense of the plan. Meanwhile, India, alarmed by United States military aid to Pakistan, has felt forced to spend, on defense, money it can ill afford.

Painful Decision

All this does not mean that the Indian rupee is in danger of devaluation, as some of the more panicky commentators have predicted. In fact, the rupee has so far been rated internationally as one of the stablest currencies of the postwar period. But it does mean that in the next two or three months India will have to make a crucial decision: whether to cut back its plan and tailor its projected development to the resources it can obtain by measures of austerity at home, by stepped-up exports, by drawing on its sterling balances in London (which total about £300 million), and by obtaining such loans as it can from international agencies—the World Bank, the International Monetary Fund and the Colombo

Plan—or if these prove inadequate, whether to abandon the hope of carrying out the plan.

Confronted with this painful decision, some Indians are inclined to be defeatist. They point to the tremendous effort required by the plan, doubt that the results anticipated will be sufficient to justify the effort and talk about fulfilling just "the core" of the plan without defining clearly what they mean.

Others, who refuse to yield to pessimism, contend that it will be impossible to pull a "core" out of an integrated plan without jeopardizing the plan as a whole—to build steel plants or set up power and transportation projects without, at the same time, modernizing agriculture, clearing slums, constructing houses and educating India's millions for the jobs they must perform in a technological age. They urge the country to face squarely the reality that it may have to rely primarily on itself and to regard this need for self-reli-

Statement Required by the Act of August 24, 1912, as amended by the acts of March 3, 1933, and July 2, 1946 (Title 39, United States Code, Section 233) showing the Ownership, Management, and Circulation of

FOREIGN POLICY BULLETIN

Published semimonthly at New York 1, N.Y. for October 1, 1957.

1. The names and addresses of the publisher, editor, managing editor, and business managers are: Publisher—Foreign Policy Association, Incorporated, 345 East 46 Street, New York 17, N.Y.; Editor—Vera Micheles Dean, 345 East 46 Street, New York 17, N.Y.; Managing editor—None; Business manager—None.

2. The owner is: (If owned by a corporation, its name and address must be stated and also immediately thereunder the names and addresses of stockholders owning or holding 1 percent or more of total amount of stock. If not owned by a corporation, the names and addresses of the individual owners must be given. If owned by a partnership or other unincorporated firm, its name and address, as well as that of each individual member, must be given.) Foreign Policy Association, Incorporated, 345 East 46 Street, New York 17, N.Y.; John W. Nason, President, 345 East 46 Street, New York 17, N.Y.; Gerald F. Beal, Treasurer, 57 Broadway, New York 15, N.Y.

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5. The average number of copies of each issue of this publication sold or distributed, through the mails or otherwise, to paid subscribers during the 12 months preceding the date shown above was: (This information is required from daily, weekly, semi-weekly, and triweekly newspapers only.)

VERA M. DEAN, Editor

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ance as an asset rather than a liability. For then, they say, India would not be subject to the fluctuations of international politics and the vagaries of the cold war.

Those who take this austere but undismayed view of India's future believe that before doing anything else, the country must assure itself a stable supply of basic foods—wheat and rice—out of domestic production. Just how best to achieve this objective may become a topic of national debate when the Food Committee, headed by Socialist leader Asoka Mehta, issues its report in October, before the next harvest.

Food Supply Essential

Mr. Mehta has already indicated that there should be neither full control nor full decontrol of food prices. This would leave the way open to a traditional Indian formula of reconciliation between two sharply divergent theories. Supporters of the second Five-Year Plan believe that it can succeed only if the government, while leaving food production in the hands of individual farmers, intervenes in the marketing of wheat and rice to assure fair distribution and stable prices. And the Nehru cabinet is sharply aware that the labor unrest among government workers this summer, with threats of a narrowly averted postal and telegraph strike, was due primarily to rising prices of

food. The soundest approach, agrarians experts believe, is to make a determined effort to double productivity by using some of the techniques long employed in China and Japan, which respectively produce twice and four times as much rice per unit of land as does India. But how to give the peasants new incentives to produce more is still a matter of debate.

Could India Stay Backward?

It could be argued, and is by some, that if India were resigned to being an essentially agricultural country, producing only light industry goods, it would not face the dilemmas and hardships that beset it today. But would stabilization at the existing low level be feasible in a country where, even under the best of circumstances, current planned parenthood programs will not begin to show results for a quarter of a century or more and where people, awakened from age-old lethargy in isolated villages, are beginning to insist on a better life in terms of schools, medical facilities, roads, fertilizer? Americans often talk about "the revolution of rising expectations" in an abstract way. Here in India one can physically sense this "rise" in village hovels and city slums. Any government which would try to check it might buy short-term survival, but only at the cost of creating an ultimately explosive situa-

tion which would redound to the benefit of the Communists.

Thus the United States, which alone is in a position to lend funds for India's breakthrough, holds the key to the often discussed question whether India, like China, although by different methods, will "go Communist." If India's expected request for funds is to succeed, both Indians and Americans will have to rid themselves of false pride—the Indians by bringing themselves to ask for a large loan without worrying about being "supine," and Americans by having the imagination to lend now, when it is desperately needed, the aid that has been urged by four United States ambassadors to New Delhi, Republicans and Democrats, who have served the Truman and Eisenhower Administrations.

Nor should the uncertainties of India's political situation, or the problems of American military aid to Pakistan and of the future of Kashmir be allowed to interfere with realistic action on India's economic problems. The United States has already invested \$1 billion in India in various forms of aid. It can best assure the success of this investment by making a long-term loan which would avert failure for the one great democracy in Asia.

VERA MICHELES DEAN

(This is the second of three articles on current developments in India.)

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